



STATE OF ARIZONA

## Joint Legislative Budget Committee

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DATE: September 18, 2019

TO: Members of the Joint Legislative Budget Committee

FROM: Geoffrey Paulsen, Senior Fiscal Analyst *GP*

SUBJECT: Arizona Department of Corrections - Review of FY 2020 First Quarter Correctional Officer Staffing Report

### Request

Pursuant to an FY 2020 General Appropriation Act footnote, the Arizona Department of Corrections (ADC) submitted for Committee review its quarterly staffing report for correctional officers. The report also includes the department's proposed benchmarks and how the department plans to reach those benchmarks.

### Committee Options

The Committee has at least the following 2 options:

1. A favorable review of the report.
2. An unfavorable review of the report.

Under either option, the Committee may also consider the following provisions:

- A. In the next quarterly report, ADC shall include a summary of responses from CO exit surveys since January 2019, including the reasons for leaving the department, and employees' new employer if available.
- B. In the next quarterly report, ADC shall report on the average ADC CO salary including overtime.
- C. In the next quarterly report, ADC shall report on competitor salary information. The report shall include the starting salary by competitor, whether the competitor awarded a salary increase in the past 12 months and the size of the increase, and the number of vacant positions by competitor.

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#### Key Points

- 1) There are currently 5,158 filled correctional officer (CO) positions, 1,290 vacant positions, and 207 officers in training for a vacancy rate of 19.4%.
- 2) Eyman, Florence and Lewis prisons have 837 of the 1,290 total vacancies.
- 3) To address this issue, the FY 2020 budget included a 10% CO salary increase, including vacant positions.
- 4) ADC has set a goal of a 6.8% vacancy rate, or 453 vacant CO positions by the end of FY 2020.
- 5) ADC has proposed filling a net 203 CO vacancies each quarter, or 812 by June.
- 6) Through August 26, ADC has a net decrease of (74) officers.
- 7) Recruitment initiatives include targeted online advertising, additional regional training academies, and high school outreach.

#### Analysis

In January 2019, ADC reported a vacancy rate for correctional officers of about 17%. In exit interviews from January 1, 2019 to August 21, 2019, salary was the primary reason cited for leaving the department for 41% of respondents. Since the 10% salary increase came into effect on July 1, 2019, ADC reports that 65% of respondents to exit surveys have cited salary as the primary reason. It is unclear what other factors besides salary contribute to a high vacancy rate in the department. As a result, the Committee may consider Provision A, which would require the department to include a summary of exit survey responses since January in the next quarterly staffing report.

The FY 2020 budget included an increase to ADC of \$35.5 million for staff salary increases. Of that amount, about \$33.5 million was for correctional officers. In addition to that amount, ADC planned to utilize \$13.0 million in existing vacancy savings for a total of \$46.5 million in salary increases for COs. This amount was estimated to provide a 10% salary increase for all correctional officers, including vacant positions, and increase the average base salary from \$39,300 to \$43,200 per year, excluding overtime. We have asked ADC for the average salary with overtime included. The Committee may consider Provision B, which would require ADC to include the average CO salary including overtime in the next quarterly report.

The budget also required ADC to submit a quarterly report detailing the department's progress in meeting correctional officer staffing needs. The report is to include, by complex and departmentwide, the number of filled correctional positions, the number of vacant correctional officer positions, the number of people in training, the number of separations and the number of hours of overtime worked during the quarter.

#### Proposed Benchmarks

ADC has set a goal of a 6.8% vacancy rate, or 453 vacant CO positions, by the end of FY 2020. To achieve this, ADC has set quarterly benchmarks of 453 new hires compared to 173 separations. ADC has also set a goal of 77 promotions for correctional officers, typically to the position of Sergeant, which would in effect reduce filled CO positions. The ADC benchmarks would result in a net gain of 203 new filled CO positions per quarter, or 812 by the end of June.

ADC has hired 188 new officers, lost 192 to separations, and promoted 70 COs for a net decrease of (74) CO positions through August 26, compared to a benchmark increase of 203 net filled CO positions. In addition to the 192 CO separations, ADC reported 18 officers left the department prior to completing training.

As of August 26, 2019, ADC reports a total of 5,158 filled CO positions, 1,290 vacant positions, and 207 officers in training for a vacancy rate of 19.4%. *Table 1* details the staffing levels at each of the prisons and Re-Entry Centers.

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<b>Table 1</b>					
<b>Correctional Officer Staffing Levels by Location</b>					
<b>(As of August 26, 2019)</b>					
	<b><u>Filled CO</u></b>	<b><u>Vacant CO</u></b>	<b><u>Officers in</u></b>	<b><u>Vacancy</u></b>	<b><u>Net Change</u></b>
	<b><u>Positions</u></b>	<b><u>Positions</u></b>	<b><u>Training</u></b>	<b><u>Rate (%)</u></b>	<b><u>(YTD)</u></b>
Eyman	663	389	16	36.4	(7)
Florence	501	248	25	32.0	9
Perryville	536	94	19	14.5	(13)
Lewis	821	200	23	19.2	(56)
Phoenix	212	18	11	7.5	(6)
Tucson	886	155	35	14.4	(14)
Douglas	346	56	10	13.6	6
Safford	222	47	7	17.0	(13)
Winslow	251	78	10	23.0	(1)
Yuma	689	4	51	0.5	23
Maricopa Re-Entry	17	0	0	0.0	(1)
Pima Re-Entry	<u>14</u>	<u>1</u>	<u>0</u>	<u>6.7</u>	<u>(1)</u>
<b>Total</b>	<b>5,158</b>	<b>1,290</b>	<b>207</b>	<b>19.4</b>	<b>(74)</b>

The prisons with the largest vacancy rates are Eyman at 36% and Florence at 32%. Those 2 prisons, combined with Lewis prison, make up 837, or 65%, of the 1,290 total vacant positions. Lewis has the largest net change in officers through August 26, with a decrease of (56) officers. The prisons with the lowest vacancy rates are Yuma and Phoenix.

Regarding the vacancy rates and hiring difficulties, Eyman and Florence prisons face significant competition for staff with private, county, and federal facilities in the area. A recent report from former Arizona Supreme Court Justices Rebecca White Berch and Ruth V. McGregor detailed the ongoing locking issue at Lewis prison, which may contribute to poor retention and recruitment. In addition, the report cited a morale problem among officers due to the job environment and leadership in the prison.

Due to the continued focus on CO salaries, the Committee may consider Provision C, which would require ADC to provide information on the salaries of direct competitors for staff. The information shall include the starting salaries for each of the competitive agencies, whether that employer awarded a salary increase in the last 12 months and the size of the increase, and the number of vacant positions by employer.

ADC utilizes overtime for existing officers to make up for vacancies. In May 2019, ADC raised the overtime cap from 24 hours to 32 hours per week and reported that the change resulted in a roughly 30% increase in average overtime worked per employee. Through August 26, ADC reports a total of 317,164 hours of overtime worked by correctional officers.

#### Recruitment/Retention Initiatives

ADC has outlined 4 main activities aimed at reaching their stated goal of a 6.8% vacancy rate:

1. Online recruitment efforts - continue to expand online recruitment including a mobile-friendly website, Facebook, LinkedIn and other geographically-targeted advertisement.
2. Regional training academies - ADC currently operates the Correctional Officer Training Academy (COTA) in Tucson. In addition, ADC operates some regional academies for applicants who are unable or unwilling to go to Tucson for a 2-month training. ADC plans to expand current regional academies to at least 15 new cohorts (usually 20-30 cadets) to appeal to more potential applicants.

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3. High school outreach - A recent rule change, permitted by Laws 2019, Chapter 93, reduced the minimum age for a state correctional officer from 21 years old to 18 years old. ADC plans to reach out to high schools to take advantage of the new rule.
4. Retention - ADC will provide forums for staff feedback and respond to and act on comments from staff to increase staff retention.

GP:lm